

TO: The Honorable City Council

FROM: David Whitaker, Director
Legislative Policy Division Staff

DATE: January 6, 2014

RE: **CONTRACTS AND PURCHASE ORDERS SCHEDULED TO BE CONSIDERED
AT THE FORMAL SESSION OF JANUARY 7, 2014**

FINANCE

2834380 100% City Funding – (CCR: 1/14/11, 11/20/12) - To Provide Printing and Mailing Services for Personal Property Assessments – RFQ #35790 – Company: Renkim Corporation, Location: 13333 Allen Rd., Southgate, MI 48195 – Contract Period: January 1, 2014 through December 31, 2014 – Original Contract Amount: \$56,694.40 - Renewal Contract Amount Not to Exceed: \$66,510.00
Renewal of Existing Contract – Original contract expires December 31, 2013

Costs budgeted to General Fund, Acct. 1000-230120-000075-617900-00060-0-A5020, Appropriation for Assessments Division includes available funding of \$4,382,009 as of Jan. 6, 2014.

This contract was initially approved in January 2011 for a term of 3 years, through Dec. 2013, for a costs of \$25,694. The contract was approved for printing and mailing of Personal Property Assessment notices, statements; and printing and mailing of Personal Property E-Filing Statements. Services included printing, assembly and mailing of approximately 16,000 statement notices.

An increase in costs by \$31,000 was approved in Nov. 2012; Costs were under-estimated for the total 3 year term.

The contract also includes options to renew 2 additional years.

This request is for the first renewal option, for a cost of \$9,816, prices remain the same for the renewal year. The Vendor indicates they cannot reduce their prices, they are able to forego the 2% increase allowed by the contract.

Contract checklist, received Dec. 7, 2013, indicated this contract renewal is essential to comply with the State Statute for mailing to all taxpayers.

Covenant of Equal Opportunity Affidavit signed 11-22-13; TAXES: Good Through 12-12-14 and 6-30-14; Slavery Era Records Disclosure Affidavit signed 11-22-13, indicating business established 1982, no records to disclose; Hiring Policy Compliance - Employment Application DOES INCLUDE QUESTION if applicant has any felony convictions Vendor provided statement dated Dec. 5, 2013 that they cannot remove the question of felony convictions from their employment application due to the sensitive nature of clients' materials and data.

Finance Department - continued

2838944 100% City Funding – (CRR: 2/28/12) – To Provide GL Wand Licenses – Company: EXCEL4APPS PTY LTD, Location: 8601 Six Forks Rd., Raleigh, NC 27615 – Contract Period: February 15, 2014 through February 14, 2015 – Renewal Contract Amount Not to Exceed: \$25,000.00

Renewal of Existing Contract – Original contract expires February 14, 2014

Costs budgeted to General Fund, Acct. 1000-230130-000078-617900-00245-0-A5020, Appropriation for Accounts Division-Admin. includes available funding of \$3,483,157 as of January 6, 2014.

A contract renewal was approved Feb. 2012, for a 1-year term, through Feb. 14, 2013, for a cost of \$23,775.81. The contract is for the purchase of software licenses (90 licenses) and software maintenance/updates. Software is used with multiple departments to capture financial data.

Software is an Excel-based financial reporting system used with Oracle. The software tool is required for the preparation of the annual CAFR and other financial reports; Software is proprietary to this vendor.

The contract was renewed, through Feb. 14, 2014, the Recess Week of Dec. 10, 2012; The renewal included a 5% increase to \$24,964.60. There continue to be 90 users at a cost of \$291.25 each, for a total of \$26,212.50. Purchasing will be submitting a correction to increase the indicated cost for this renewal to \$26,000.

Contract checklist, received Dec. 10, 2013, indicates the contract renewal is essential for the production of City Financial Statements; this is an exclusive software for government entities.

Covenant of Equal Opportunity Affidavit signed 11-26-13; TAXES: Good Through 12-4-14 and 6-30-14; Hiring Policy Compliance Affidavit signed 11-26-13; Slavery Era Records Disclosure Affidavit signed 11-26-13, indicating business established 2006, no records to disclose.

FIRE

2885291 100% City Funding – To Provide Medical Oxygen – RFQ#46594 – Company: Airgas USA LLC, Location: 38098 Van Born Rd., Wayne MI 48184 – Contract Period: February 1, 2013 through January 31, 2016 with Three (3), One (1) Year Renewal Options – (7) Item – Unit Price Range from: \$7.75/Each to \$303.85/Each – Sole Bid – Contract Amount Not to Exceed: \$175,035.21/Three (3) Years

Costs budgeted to General Fund, Acct. 1000-240340-000089-621900-00067-0-A1510, Appropriation for Emergency Medical Services includes available funding of \$22,041,306 as of January 6, 2014.

3 Bids solicited, 1 Bid received on Open Market for the procurement of medical oxygen. Award is recommended to the Sole Bid received from Airgas USA.

Costs include: Medical Oxygen in tanks, 244 cubic feet (1,056 tanks) for \$25.37 each; Hydrostatic Testing of tank for \$20 each; Replacement Medical gas Cylinder (15) for \$303.85 each; Lost cap (15) fee for \$9 each; Hazmat Fee (48) for \$7.75 each.

Contract checklist, dated Dec. 17, 2013, indicates this contract is essential for the procurement of essential equipment or supplies used in rescue operations.

Covenant of Equal Opportunity Affidavit signed 11-20-13; TAXES: Good Through 1-7-14 and 6-30-14; Slavery Era Records Disclosure Affidavit signed 11-22-13, indicating business established 1982, no records to disclose; Hiring Policy Compliance Affidavit signed 11-22-13 - Statement from Vendor, dated De. 12, 2013, they agree to waive the question regarding felony convictions for all applicants and employees working on City of Detroit contracts.

GENERAL SERVICES

2875198 100% City Funding – To Provide Repair Service, Parts, and/or Labor Labrie Packer – Contract Period: February 1, 2013 through January 31, 2016 – Contractor: Bell Equipment, Location: 78 Northpointe Dr., Lake Orion, MI 48359 – Original Department Estimate: \$335,000.00 – Request Dept. Increase: \$250,000.00 – Total Contract Estimated Expenditure to: \$585,000.00 – Total Expended on Contract: \$351,117.37 – Detailed Reason for Increase: Increase needed to repair Labrie Packers used on Garbage Trucks. The advanced age of the trucks are creating an increase in repair services

Costs budgeted to General Fund, Acct. 1000-470100-006004-622100-12153-0-A4510, Appropriation for Fleet Management includes available funding of \$12,816,739 as of January 6, 2014.

This contract was initially approved Feb. 12, 2013 for a 3 year term, through Jan. 31, 2016, for a cost of \$335,000. The contract was approved to provide repair services and parts for Labrie Packer (garbage) trucks. Costs bid for this contract include: Labor at \$85 per hour; Parts at cost in Manufacturer's price list with no discount.

2 contracts authorized for repair services and parts for the Labrie Packer units. In addition to Bell Equipment, Contract 2858318 approved with Cannon Engineering for a 3 year term, from March 2012 through January 2015 for \$500,000; multiple contracts are to ensure services and parts available when needed.

This request is for an increase of \$250,000, for the remaining term of the contract. As indicated, a total of \$351,117.37 (exceeding the authorized contract amount by \$16,117.37) had been expended as of Dec. 17, 2013. Department indicates that the age of the trucks is the reason for the greater than anticipated costs.

Over \$350,000 has been expended in less than 1 year; What are the estimated costs for the 3-year term, \$250,000 does not appear to be adequate. City Council may wish to inquire how much has been spent with Cannon Engineering?

Contract checklist, received Dec. 17, 2013, indicates this contract is essential for repairs to the trucks used for trash and garbage removal.

Covenant of Equal Opportunity Affidavit signed 12-16-13; TAXES: Good Through 3-23-14 and 1-15-14; Hiring Policy Compliance Affidavit signed 12-16-13; Slavery Era Records Disclosure Affidavit signed 12-16-13, indicating no records to disclose.

HUMAN RESOURCES

2884421 100% City Funding – To Provide Compensation, Classification and Performance Management Study – Company: Gallagher Benefit Services, Inc., Location: 1335 County Rd. “D” Circle East, St. Paul, MN 55109 – Contract Period: Terminate on (1) Year after the date of the City Council’s Approval – Contract Amount Not to Exceed: \$390,00.00

Costs budgeted to General Fund, Acct. 1000-280110-000114-616100-00105-0-HRE01, Appropriation for Administration includes available funding of \$1,388,881 as of Jan. 6, 2014.

It was indicated in the Purchasing File, this contract was bid; No information provided on other bids/proposals received.

This contract is to provide services to decrease the number of employment classification titles, with the commensurate salaries to be adjusted after the consultant's recommendations are implemented.

The services include 3 broad categories of services. (1) Classification Study/Analysis to include recommendation for position, grade, assessment methodologies; review or revise non-sworn classification descriptions; Identify standard competencies for each job classification; Provide training to Human Resources staff.

(2) Compensation Study/Analysis to develop externally competitive and internally equitable salary recommendations for all sworn and non-sworn positions; Review and recommend issues for creating different pay practices based on pay for performance, key positions, market conditions and difficulty with recruitment, retaining skill sets and professional positions.

(3) Performance Measurement Study / Analysis to provide recommendation to improve the City's existing performance management process; Improve the competency definitions and performance measurements.

Payment provided upon receipt of an invoice with the completion of each major area:

Completion of Classification Study/Analysis for \$245,000; Completion of Compensation Study/Analysis for \$75,000; Completion of Performance Management Study/Analysis for \$70,000

Contract checklist, dated Nov. 14, 2013, indicates this contract is essential to allow for the decrease in classification titles and commensurate salaries to be adjusted after the consultant's recommendations are implemented.

Covenant of Equal Opportunity Affidavit signed 6-10-13; TAXES: Good Through 6-5-14 and 1-14-14; Hiring Policy Compliance Affidavit signed 4-26-13, business indicate they do not anticipate hiring additional staff for this contract; Slavery Era Records Disclosure Affidavit signed 4-25-13, indicating business established 1999, no records to disclose.

INFORMATION TECHNOLOGY SERVICES

2730466 100% City Funding – Amendment No. #1 - To Provide Leased Goods related Services for Rental of Multi-Functional Devices (MFD) – Company: Olive Delivery Services LLC, Location: 20900 Hubbell St., Oak Park, MI 48237 – Contract Increase: Time Extension Only - Contract Period: June 5, 2007 through June 7, 2014 – Total Contract Amount: \$10,000,000.00

Renewal of Existing Contract – Time Extension Only – Original Contract expired June 6, 2013. **Costs are budgeted to multiple accounts of the departments/agencies where the equipment is located.**

This contract was initially approved May 23, 2007 for a term of 6 years, through June 6, 2013, for an estimated cost of \$10,000,000. The contract serves as the Master Agreement for the lease of multi-functional devices (copiers, printers, fax machines, scanners) by various City Departments or agencies. This contract provides for the lease of the equipment and all service and maintenance required. Contract provided for a variety of brand name copiers in both color and black & white, for leases of varying length, 36 months, 48 months or 60 months.

This request is to extend the contract 1 year, through June 7, 2014, with no change in the authorized contract total.

The business address indicated at 20900 Hubbell, in Oak Park is the Corporate Headquarters of the Leader Business Systems, which was partnered with Olive Delivery Service, since 2007, to provide the equipment and maintenance service for the leased equipment.

Contract checklist, dated Dec. 3, 2013, indicated this contract renewal is essential to provide services for several multi-functional devices that exist throughout the City until the end of the lease or until the equipment is replaced through the new contract with Xerox; In the case of leased equipment, the City is contractually obligated to complete the lease.

Covenant of Equal Opportunity Affidavit signed 6-22-13; TAXES: Good Through 1-4-14 and 1-14-14; Hiring Policy Compliance Affidavit signed 6-28-13; Slavery Era Records Disclosure Affidavit signed 6-28-13, indicating business established 2001, no records to disclose.

MUNICIPAL PARKING

The following 5 contracts, with the Municipal Parking Department are part of the department's new Abandoned Vehicle Program; this program was previously administered by the Police Department.

According to the Municipal Parking Dept., there will be a total of 8 contracts with vendors that have agreed to provide towing services under the stipulated contract requirements. The 8 vendors previously provided these services to the Police Dept. for Police-Authorized tows.

2 ABAN Towing contracts were submitted the Week of Dec. 16, 2013, now considered approved, these contracts are: No. 2884900 with H & B Land, at 13020 E. McNichols Rd.; and No. 2884999 with Elite Towing, 13000 E. McNichols. Both contracts are for \$46,875, for terms through June 30, 2014.

The 8 towing businesses to be contracted are located in different parts of the City; the closest towing business in the area of the abandoned vehicle will be called to provide the tow to the City Impound Lot at 6311 Caniff for the specified amount of \$125 per tow. The Department estimates each contractor may tow up to 375 vehicles over the term of 1 year, for the total of \$46,875.

Contractors to provide a minimum of 2 trucks dedicated to the performance of this contract, including a 1 1/2-ton tow truck and a flat bed truck; Services provided between 7 AM to 10PM, 7 days per week.

Abandoned vehicles to be tagged after 48 hours; Identifying and tagging vehicles will continue to be done by Police officers; This does not include any vehicle that may be part of a crime scene or criminal investigation.

Payment to the contractors to be based on the receipt of a monthly invoice providing details including: Towing authorization number; Date of the tow; Vehicle make, model, license plate (if present) and vehicle identification number.

Costs of the 5 following contracts – totaling \$234,375 - budgeted to General Fund, Acct. 1000-340083-0-617900-00102-0-0, Appropriation for Parking Violations Bureau includes available funding of \$4,080,151 as of January 6, 2014.

Municipal Parking Department - *continued*

2884897 100% City Funding – To Provide Towing Service, ABAN, Citywide – Company: ABA Impound, Inc., Location: 14201 Joy Rd., Detroit, MI 48228 – Contract Period: July 1, 2013 through June 30, 2014 – Contract Amount Not to Exceed: \$46,875.00

Tow Permit 11-025 expires May 31, 2016 and is issued to this business at 8140 Mark Twain. Managers indicated to be: Donald Piotrowski and Kevin Savage.

Contract checklist, dated Oct. 12, 2013, indicates the contract is essential to provide for Police-Authorized tows of abandoned vehicles to the City Impound Lot.

Covenant of Equal Opportunity Affidavit signed 8-15-13; TAXES: Good Through 3-7-14 and 1-14-14; Hiring Policy Compliance Affidavit signed 8-15-13; Slavery Era Records Disclosure Affidavit signed 11-6-13, indicating business established 1994, no records to disclose.

2884898 100% City Funding – To Provide Towing Service, ABAN, Citywide – Company: City Auto Storage, LLC, Location: 14201 Joy Rd., Detroit, MI 48228 – Contract Period: July 1, 2013 through June 30, 2014 – Contract Amount Not to Exceed: \$46,875.00

Tow Permit 11-029 expires May 31, 2016 and is issued to this business at 8140 Mark Twain. Managers indicated to be: Bill Wild and Yale Levin.

Contract checklist, dated Oct. 12, 2013, indicates the contract is essential to provide for Police-Authorized tows of abandoned vehicles to the City Impound Lot.

Covenant of Equal Opportunity Affidavit signed 8-15-13; TAXES: Good Through 3-7-14 and 1-14-14; Hiring Policy Compliance Affidavit signed 8-15-13; Slavery Era Records Disclosure Affidavit signed 11-6-13, indicating business established 2000, no records to disclose.

2884901 100% City Funding – To Provide Towing Service, ABAN, Citywide – Company: J & C Recovery, Inc., Location: 14201 Joy Rd., Detroit, MI 48228 – Contract Period: July 1, 2013 through June 30, 2014 – Contract Amount Not to Exceed: \$46,875.00

Tow Permit 11-027 expires May 31, 2016 and is issued to this business at 8140 Mark Twain. Managers indicated to be: Donald Piotrowski and Kevin Savage.

Contract checklist, dated Sept. 12, 2013, indicates the contract is essential to provide for Police-Authorized tows of abandoned vehicles to the City Impound Lot.

Covenant of Equal Opportunity Affidavit signed 8-15-13; TAXES: Good Through 3-7-14 and 1-14-14; Hiring Policy Compliance Affidavit signed 8-15-13; Slavery Era Records Disclosure Affidavit signed 11-6-13, indicating business established 1992, no records to disclose.

Municipal Parking Department - *continued*

2884902 100% City Funding – To Provide Towing Service, ABAN, Citywide – Company: Detroit Auto Recovery Service, Inc., Location: 14201 Joy Rd., Detroit, MI 48228 – Contract Period: July 1, 2013 through June 30, 2014 – Contract Amount Not to Exceed: \$46,875.00

**Tow Permit 11-026 expires May 31, 2016 and is issued to this business at 8140 Mark Twain.
Managers indicated to be: Donald Piotrowski and Kevin Savage; President is Jack Morton.**

Contract checklist, dated October 12, 2013, indicates the contract is essential to provide for Police-Authorized tows of abandoned vehicles to the City Impound Lot.

Covenant of Equal Opportunity Affidavit signed 9-10-13; TAXES: Good Through 3-7-14 and 1-14-14; Hiring Policy Compliance Affidavit signed 8-15-13; Slavery Era Records Disclosure Affidavit signed 11-6-13, indicating business established 2000, no records to disclose.

2884903 100% City Funding – To Provide Towing Service, ABAN, Citywide – Company: Michigan Auto Recovery Services, Inc., Location: 8850 Southfield Rd., Detroit, MI 48228 – Contract Period: July 1, 2013 through June 30, 2014 – Contract Amount Not to Exceed: \$46,875.00

**Tow Permit 11-020 expires May 31, 2016 and is issued to this business at 8850 Southfield.
Company president indicated to be Gregory A. Errigo.**

Contract checklist, dated September 12, 2013, indicates the contract is essential to provide for Police-Authorized tows of abandoned vehicles to the City Impound Lot.

Covenant of Equal Opportunity Affidavit signed 9-23-13; TAXES: Good Through 4-9-14 and 1-14-14; Hiring Policy Compliance Affidavit signed 9-23-13; Slavery Era Records Disclosure Affidavit signed 11-7-13, indicating business established 1984, no records to disclose.

PUBLIC LIGHTING

2886478 100% City Funding – Notification of Emergency Procurement as provided by Ordinance No. 15-00 – Please be advised of an Emergency Procurement as follows: Description of Procurement: Repair damage to PLD's Distribution System requiring labor and material to restore down lines and poles from the wind storm during November 16-29, 2013 – Basic for the Emergency: The City would be without power to the City Airport and multiple schools within the City of Detroit – Contractor: TMC Alliance, Location: 5671 Trumbull Ave., Detroit, MI 48208 – Total Amount: \$250,000.00

Costs budgeted to General Fund, Acct. 1000-380170-003142-622400-00128-0-SL845, Appropriation for Street Lighting includes available funding of \$10,706,361 as of Jan. 6, 2014.

According to information provided in the Purchasing File; Public Lighting requested authorization for an Emergency Procurement to the Purchasing Division on Nov. 18, 2013 to pay for materials and labor to restore down lines and poles caused by a wind storm on November 15, 2013. Mr. Taylor, Director of Public Lighting indicates the wind storm began Nov. 15, continued Nov. 16 and 17 with 15 to 20 mile per hour winds, increasing to 70 miles per hour, causing significant damage to the system, estimated cost for restoration at \$90,000.

TMC Alliance submitted an Invoice, dated Nov. 20, 2013, for Emergency Storm Work from Nov. 16 to November 29, 2013 for \$90,000.

TMC Alliance submitted a 2nd Invoice on Nov. 21, 2013 for \$160,000 addition to the \$90,000 for the Emergency Storm Work, from Nov. 16 to Nov. 29, 2013

Mr. Taylor submitted a second request to Purchasing on November 21, 2013, increasing the cost due to the wind storm from \$90,000 to \$250,000. The wind damage was more extensive than estimated that required more labor and materials; work required to stabilize the PLD system and restore City Airport and multiple school outages within 3 days.

Mr. Jackson, Director of Purchasing approved the Emergency Procurement on Dec. 16, 2013.

Covenant of Equal Opportunity Affidavit signed 9-10-13; TAXES: Good Through 5-30-14 and 1-15-14; Hiring Policy Compliance Affidavit signed 9-10-13; Slavery Era Records Disclosure Affidavit signed 9-10-13, indicating business established 2011, no records to disclose.

PUBLIC WORKS

2741639 100% City Funding (Street Fund) – Amendment #4 – To extend the Contract Term for One (1) year of Contract that provides Professional Architectural and Engineering Services for the DPW-Street Maintenance Division's District Maintenance and Stockroom Building – Company: Metro Services, Inc., Location: 1274 Library, Ste. 400, Detroit, MI 48226-2283 – Contract Increase: Time Extension Only: Contract Period: February 1, 2008 through January 31, 2015 – Contract Amount: \$249,154.00

Renewal of Existing Contract – Time Extension Only – Original Contract expires Jan 31, 2014

Costs budgeted to Major Street Fund, Acct. 3301-193863-000048-632100-04189-0-A4570, Appropriation for Major Street Fund-Capital includes available funding of \$60,889,848 as of January 6, 2014.

This contract was initially approved with Metco Services (vendor's name misspelled above) in Dec. 2007 to provide for the architectural and engineering services required for the construction of a new Maintenance and Stockroom facility at the Street Maintenance Division, located at 2633 Michigan. The project called for: Demolition of existing District Maintenance Building, Design of new Dist. Maintenance and Stockroom Building of approximately 16,000 sq. feet, Design of new gatehouse, new gate and fence, new Security system, Site paving and lighting around the building. The contract was approved in 2007 for a term of 3 years – Feb. 2008 through January 2011 – for a cost of \$239,200.

Change 1, approved April 10, 2012, extended the term 1 year, through Jan. 31, 2012;

Change 2, approved week of Aug. 13, 2012, extend term a 2nd time, through Jan. 2013;

Change 3, approved week of Nov. 26, 2012, increased the costs by \$9,954 to \$249,154, and extended the term 1 year, through January 2014.

The additional costs required for consulting services to facilitate implementation of right-of-way and zoning changes, and provide survey services in conjunction with the changes – to vacate and convert to easements: 18th St. south of Mich.; Rose St. between 18th and 20th; vacation of the alleys in this area.

This requested Change No. 4 is to extend the term of the contract an additional year, to Jan. 31, 2015, for a total of 7 years. The required time extensions and delays in this project indicated to be due to waiting for the State Legislative approval to use Street funds for this project.

According to DPW, the architectural/engineering drawings have been completed; it is anticipated that the construction will be bid and begin this year.

Budgeted costs for this project remain the same and include: Schematic Design for \$18,000; Preliminary Design phase for \$30,700; Construction Documents for \$122,000; Construction Phase for \$48,000; Geotechnical investigation/testing for soil contamination for \$8,000; Drawings and specifications for site mitigation for \$7,500; Added services, Change 3, prepare and file petitions and resolutions for changes to right-of-ways and zoning for \$9,954; Allowance for testing of Hazardous Waste Removal for \$5,000.

Discussion continues on following page

Public Works Dept. - *continued*

2741639 100% City Funding (Street Fund) – Amendment #4 – To extend the Contract Term for One (1) year of Contract that provides Professional Architectural and Engineering Services for the DPW-Street Maintenance Division's District Maintenance and Stockroom Building – Company: Metro Services, Inc., Location: 1274 Library, Ste. 400, Detroit, MI 48226-2283 – Contract Increase: Time Extension Only: Contract Period: February 1, 2008 through January 31, 2015 – Contract Amount: \$249,154.00
Renewal of Existing Contract – Time Extension Only – Original Contract expires Jan 31, 2014.

Continued Discussion

The contract change order also includes a Year 2014 hourly rate schedule, stating the hourly rate for various classifications of work to range from \$38 per hour for Clerical to \$110 per hour for Project Manager, and \$160 per hour for Survey Crew; Work on Saturday charged at 1 ½ times the stated rate; Work on Sundays and holidays charged at 2 times the stated rate for 8 hours. An escalation rate of 3% per year is applicable to this rate schedule.

Contract checklist, dated Dec. 3, 2013, indicates this contract is required to prepared the plans to renovate and enlarge an outdated building.

Covenant of Equal Opportunity Affidavit signed 10-8-13; TAXES: Good Through 1-23-14 and 1-14-14; Hiring Policy Compliance Affidavit signed 9-17-12; Slavery Era Records Disclosure Affidavit signed 9-5-07, indicating no records to disclose.

Public Works Dept. - *continued*

2854344 100% City Funding (Street Fund) – (CCR: 12/6/11) – To Provide Snow Removal Services (Loading and Hauling) – RFQ #38517 – Company: Brilar, LLC, Location: 13200 Northend Street, Oak Park, MI 48237 – Contract Period: January 1, 2013 through April 31, 2015 – Renewal Contract Amount: \$0.00 – Contract is for Time Extension Only

Renewal of Existing Contract – Time Extension Only - Original Contract expired Dec. 31, 2012.

Costs budgeted to Major Street Fund, Acct. 3301-193832-622900-06424-0-0, Appropriation for Major Street Fund-Operations includes available funding of \$44,972,994 as of January 6, 2014.

This contract was 1 of 7 contracts approved for removal of snow from streets, loading snow into trucks and hauling the snow to a designated dump site. Contracts were approved Dec. 6, 2011, for the 1 year, Jan. thru Dec. 2012. Bidders were limited to fees not to exceed \$170 per hour loader and operator, and \$125 per hour for truck and operator.

Contracts were approved with: Dalessandro Contracting (No. 2854345) for \$302,400; Boulevard and Trumbull (No. 2854364) for \$147,600; Ric-Man Detroit (No. 2854365) for \$259,800; Willie McCormick (No. 2854372) for \$298,800; Adamo Group (No. 2854382) for \$201,120; Ricman Enterprises (No. 2854507) for \$77,367; and Brilar, LLC (No. 2854344) for \$175,440

4 of the 7 contracts were renewed for 1 year, through December 2013, with: Boulevard and Trumbull for \$147,600 to a total of \$295,200 for 2 years; Ric-Man Detroit for \$259,584 to a total of \$519,168 for 2 years; Willie McCormick for \$298,800 for a total of \$597,600 for 2 years.

Brilar was also submitted for a renewal, initially increasing the costs to a total of \$360,000 which was NOT APPROVED on Feb. 19, 2013; The contract was re-submitted with no increase to costs and NOT APPROVED on March 13, 2013.

The 3 contracts, previously renewed, were submitted with a request for renewal for a 2nd Year, extending the term through December 2014, the Week of December 9, 2013, and considered approved with: Boulevard and Trumbull (No. 2854364), no increase to expenditures;

Ric-Man Detroit (No. 2854365), no increase to expenditures;
and Willie McCormick & Associates (No. 2854372), no increase to expenditures;

This request to renew the contract with Brilar includes the previous year (beginning Jan. 2013) that was not approved and continues services through 2014 and through April 2015, for a total of 28 months. Total costs for this contract appear to remain at \$175,440; rates remain the same at \$125/hour for truck and driver, and \$170 per hour for Loader and operator.

Contract checklist, received Nov. 20, 2013, indicates this contract is essential for the removal of snow from downtown streets to prevent harm to motorists and pedestrians.

Covenant of Equal Opportunity Affidavit signed 9-14-11; TAXES: Good Through 11-26-14 and 6-30-14; Hiring Policy Compliance Affidavit signed 6-4-13; Slavery Era Records Disclosure Affidavit signed 6-4-13, indicating no records to disclose.

Public Works Dept. - *continued*

2865431 100% Other (Solid Waste Fund) – (CCR: 7/31/2013) – To Provide Data and Mailing Services – RFQ #40992 – Company: Renkim Corporation, Location: 13333 Allen Rd., Southgate, MI 48195 – Contract Period: January 1, 2014 through December 31, 2014 – Renewal Contract Amount: 64,350.00

Renewal of Existing – Original Contract expired June 30, 2013

Costs budgeted to Solid Waste Management Fund, Acct. 3401-190410-626600-12396-0-0, Appropriation for Solid Waste Management includes available funding of \$3,350,120 as of January 6, 2014.

This contract was initially approved in July 2012 (not 2013 as indicated above) for a term of 1 year, through June 2013, for a costs of \$64,350. The vendor agreed to include in their rates a 10% reduction in some of their unit prices bid, saving the City an estimated \$6,435.

The contract includes an option to renew 1 year.

This request is for the 1 Year renewal option, however, the renewal is indicated to begin January 2014, instead of July 2013, following the expiration of the original term on June 30, 2013. The renewal cost continues the same unit rates (which included the initial 10% reduction) to provide for the mailing to residents requirements for Bulk, Recycling and Yard Waste pick-up and scheduled dates for each type of pick-up. In 2012, Dept. estimated mailing 250,000 items.

Continued unit costs include: Direct addressing of postcards at \$9 per 1,000; Sorting postcards into 120 sections for \$4.50 per Section; Sorting the 120 postcard sections according to 60 service dates per mailing at \$4.50 each mailing.

Contract checklist, received Dec. 2, 2013, indicating the contract renewal is essential to provide for mass mailing of bulk collection information.

Covenant of Equal Opportunity Affidavit signed 11-22-13; TAXES: Good Through 12-12-14 and 6-30-14; Slavery Era Records Disclosure Affidavit signed 11-22-13, indicating business established 1982, no records to disclose; Hiring Policy Compliance - Employment Application DOES INCLUDE QUESTION if applicant has any felony convictions Vendor provided statement dated Dec. 5, 2013 that they cannot remove the question of felony convictions from their employment application due to the sensitive nature of clients' materials and data.

Public Works Dept. - *continued*

2869348 100% City Funding – To Provide Five-Yard Dump Trucks – RFQ #44824 – Company: Jorgensen Ford Sales, Location: 8333 Michigan Ave., Detroit, MI 48210 – Quantity (2) – Unit Price \$110,471.00/Each – Lowest Bid – Contract Amount: \$220,942.00

Costs budgeted to Major Street Fund, Acct. 3301-193850-000048-644600-04189-0-A4570, Appropriation for Major Street Fund-Capital includes available funding of \$60,889,848 as of January 6, 2014.

3 Bids solicited, 2 Bids received on Open Market for the purchase of 2 five-yard dump trucks with 6-man crew cabs.

The recommended award is with the Lowest Bid received from Jorgensen Ford Sales for \$110,471 per truck, with a Cannon Equipment dump body. Warranties include 24 months for Engine and 36 months for transmission.

Second Bid, also from Jorgensen Ford for \$124,290 per truck, with dump body from NBC Equipment.

Contract checklist, dated Nov. 16, 2013, indicates the purchase is essential, dump truck are required for City operations.

Covenant of Equal Opportunity Affidavit signed 4-1-13; TAXES: Good Through 7-17-14 and 1-14-14; Slavery Era Records Disclosure Affidavit signed 1-24-12, indicating business established 1999, no records to disclose; Hiring Policy Compliance Affidavit signed 6-8-23 - Employment Application submitted DOES INCLUDE the question if applicant convicted of any felonies - Business submitted statement that they do not inquire or consider criminal convictions of applicants for employment.

Previous purchase of 2 five-yard dump trucks was approved in November 2008, also with Jorgensen Ford, for a cost of \$79,815 each; Warranty provided for 60 months or 50,000 miles on engine and transmission. Costs appear to have increased, for this commodity, by 38%, from 5 years ago.

RECREATION

2886816 100% City Funding – To Provide Installation of Ten (10) Mammoth/Heat Pumps Units, Thermostats, Hangers and Vibration for each Isolator – REQ #290738 – Company: Systemp Corporation, Location: 3909 Industrial Dr., Rochester Hills, MI 48309 – (1) Item – Unit Price: \$73,000.00/Each – Lowest Bid – Contract Not to Exceed: \$73,000.00

Costs budgeted to General Obligation Bond Fund, Acct. 4510-391430-000187-631100-00905-0-A6000, Appropriation for 1994 Capital Improvement includes available funding of \$2,431,284 as of January 6, 2014.

General Services Dept. requested cost quotations for the required work at Northwest Activities Center from 3 vendors, 2 Cost Quotations were received.

**This recommendation is for the Lowest Bid received from Systemp Corp. for \$73,000.
The Second Bid received from Macomb Mechanical for \$73,200.**

As indicated above, this contract provides for the procurement and installation of 10 Mammoth Heat Pumps, installation of 10 thermostats; hangars and vibration isolators for each unit; Rework thermostat – low voltage wiring – and existing condensate piping; Remove the old units from the site; Reclaim existing refrigerants and oils by EPA standards; Provide new sheet metal transition for new heat pump; Provide 1 year warranty on parts and labor.

Contract checklist, received Dec. 10, 2013, indicates this contract is essential to provide for repairs to heating system at Northwest Activities Center; there have been offices without any heat.

Covenant of Equal Opportunity Affidavit signed 10-21-13; TAXES: Good Through 10-30-14 and 1-15-14; Hiring Policy Compliance Affidavit signed 10-2-13; Slavery Era Records Disclosure Affidavit signed 10-2-13, indicating business established 1993, no records to disclose.

Systemp also contracted, through the Detroit Building Authority, to provide for replacement of the chiller for the Main Terminal at Coleman Young International Airport, which included providing and installing the new 190 ton Chiller, repairs to air handler, and 5-year warranty for \$381,725. (Through Contract 2796726 with the Detroit Building Authority for improvement projects at the Airport).

TO PAY INVOICES FOR WORK ALREADY PERFORMED The following Confirming Purchase Order is for goods or services that have been received without an approved contract in place.

POLICE – Unauthorized Purchase (Confirming)

2887151 100% City Funding – To Provide Compensation for payment of Hardware and Software needed to open a New Detention Center mandated by the State of Michigan – Company: ID Networks, Inc., Location: 7720 Jefferson Rd., Ashtabula, OH 44005 – Total Cost: \$139,700.00

Vendor currently is not on contract

Costs budgeted to General Fund, Acct. 1000-372321-004503-644100-11041-0-A1081, Appropriation for Technical Services Bureau includes available funding of \$21,422,660 as of January 6, 2014.

This Confirming Purchase Order was requested Oct. 30, 2013, and authorized to proceed on Dec. 13, 2013. This request is to authorize payment to ID Networks for the equipment delivered to the new Detroit Detention Center. According to information provided by the Police Dept., Mr. Orr, as Emergency Manager, entered into a contract with the Mi, Dept. of Corrections, in April 2013, to open the Detroit Detention Center on Mound Rd.; Police Dept. was given a mandate by Governor Snyder to open the facility in 90 days; to meet this deadline, the department proceeded with the purchase of hardware and software required at the facility.

This purchase includes, 5 Livescan systems, with an integrated Palm Capture (fingerprinting), in addition to printers, LCD displayed cabinets, camera capture kits, mugshot lighting, and other hardware and software necessary to process prisoners at the Detention Center. ID Networks is the sole source vendor for the hardware and software that provides the FingerRoll Livescan System and the FingerPrint Archive Systems for fingerprints, mugshots, and arrest/booking records. The Software also must communicate with State records systems.

Purchased items (according to Aug. 8, 2013 invoice) includes: Livescan System with integrated Palm Capture (5) for \$19,850 each; Ruggedized Cabinet with 22” LDC Display (5) for \$3,495 each; Camera capture Kit (5) for \$1,995 each; Mugshot lighting kit (5) for \$200 each; Lexmark printer (2) for \$1,595 each; Laminator machine (4) for \$385 each.

Contract checklist, dated December 13, 2013, indicates this contract is essential to obtain the required computer equipment.

Covenant of Equal Opportunity Affidavit signed 11-27-13; TAXES: Good Through 12-11-14 and 6-30-14; Hiring Policy Compliance Affidavit signed 11-27-13; Slavery Era Records Disclosure Affidavit signed 11-27-133, indicating no records to disclose.

TO PAY INVOICES FOR WORK ALREADY PERFORMED The following Confirming Purchase Order is for goods or services that have been received without an approved contract in place.

GENERAL SERVICES – Unauthorized Purchase (Confirming)

2887194 100% City Funding – To Provide Compensation for payment of Renovation Work completed at Northwest Activity Center for the Lease Arrangement with Employment Solutions Co. – Company: KEO and Associates, Inc., Location: 18286 Wyoming, Detroit, MI 48221 – Total Cost: \$185,172.00

Vendor currently is not on contract

Costs budgeted to General Fund, Acct. 1000-470009-006004-627190-11830-0-A4510, Appropriation for Facilities and Grounds Maintenance includes available funding of \$6,494,547 as of January 6, 2014.

The lease with Employment Solutions for a total of 21,065 square feet of space on the Main Level and Lower Level of the Northwest Activities Center for the operation of a Full Service One-Stop Center, was submitted to the City Council by Mr. Kevyn Orr, Emergency Manager, and approved by the City Council on Oct. 21, 2013. The term of the lease is for 3 years, from November 1, 2013 through October 31, 2016, with options to extend 2 additional years. The rent for the lease is \$231,715 per year, based on a rate of \$11 per square foot. According to the Lease, the City, through the General Services Dept. has agreed to make certain construction renovations, to be completed by November 1, 2013. Detroit Employment Solutions is to reimburse the City for the costs of renovation up to an amount not to exceed \$179,172.

KEO and Associates submitted their Application for Payment, dated Oct. 30, 2013, indicating that the current amount due at \$151,534.80, the balance owed, including retainage, for \$33,637.20; for the total contract cost of \$185,172. This is \$6,000 more than the reimbursement from Detroit Employment Solutions.

City Council may wish to inquire if the reimbursement from Detroit Employment Solutions has been received or the anticipated date to be received.

Contract checklist submitted, indicating the selection of KEO & Associates, as the renovation contractor, was a joint decision of General Services Dept. and Employment Solutions.

Covenant of Equal Opportunity Affidavit signed 11-22-13; TAXES: Good Through 4-3-14 and 1-14-14; Hiring Policy Compliance Affidavit signed 11-22-13; Slavery Era Records Disclosure Affidavit signed 11-22-13, indicating no records to disclose.